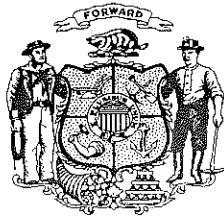


STATE OF WISCONSIN

SENATE CHAIR
MARK MILLER

317 East, State Capitol
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ASSEMBLY CHAIR
MARK POCAN

309 East, State Capitol
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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Mark Miller
Representative Mark Pocan

Date: October 4, 2010

Re: DHS Report to JFC on BadgerCare Plus Basic

Attached is a report on BadgerCare Plus Basic from the Department of Health Services, pursuant to s. 49.67, Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

MM:MP:jm



State of Wisconsin
Department of Health Services

Jim Doyle, Governor
Karen E. Timberlake, Secretary

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OCT 04 2010
BY: St. Finance

October 1, 2010

The Honorable Mark Miller, Co-Chair
Joint Committee on Finance
317 East, State Capitol
Madison, WI 53702

The Honorable Mark Pocan, Co-Chair
Joint Committee on Finance
309 East, State Capitol
Madison, WI 53702

Dear Senator Miller and Representative Pocan:

I am writing to report that, after three months in operation, BadgerCare Plus Basic is financially solvent and successfully meeting the health care needs of 3,500 Wisconsin residents. This letter and the attached statistics fulfill the Department's legislative reporting requirements for Basic under section 49.67 of the Wisconsin Statutes.

With the successful launch of BadgerCare Plus Basic on July 1, 2010, uninsured Wisconsin residents gained another option for health care access. Basic was created to provide an affordable coverage choice to those on the waitlist for the BadgerCare Plus Core Plan. Core enrollment was capped in October 2009 due to limited federal funding. The Core waitlist was established at that time.

For \$130 per month, Basic provides access to ten doctor's visits per year, a comprehensive generic drug benefit and one inpatient hospital stay and five outpatient hospital procedures before a hospital deductible is applied. Other professional medical services are also covered. Though the plan's benefits are very limited, Basic provides protection and peace of mind for those who have no other access to health insurance. Basic is self-funded, and state taxpayers pay nothing to support the program.

Per the specific reporting requirements identified in s. 49.67(9g), claims payments for Basic totaled \$803,957 through September 15, 2010. Premium revenue totaling \$1,614,460 had been collected as of the same date. Additional reserve revenue of \$1 million remains available to support Basic through the federal State Health Access Program (SHAP) grant administered by the Health Resource Services Administration (HRSA). In short, BadgerCare Plus Basic is completely solvent after its first three months of operation.

No changes to premiums, benefits, enrollee cost sharing or provider payment rates have been implemented since the program began on July 1, 2010. In August, DHS notified members already enrolled in Basic of opportunities to pay premiums in advance at a discounted rate. Advance payments reduce adverse selection by increasing member longevity in the plan. Beginning with the

October 2010 benefit month, Basic members have options to pay a \$360 quarterly premium, a \$660 semi-annual premium or a \$1,200 annual premium. More than 400 existing members (12%) opted to make an advance premium payment in September.

As of September 15, 3,503 people were enrolled in BadgerCare Plus Basic. Member demographic information, including age, gender and county of residence, is attached. Enrolling in Basic requires beginning an application for the BadgerCare Plus Core Plan online at access.wi.gov or by phone. That process involves reporting income and insurance information to determine if the applicant is eligible to be added to the Core waitlist. Since enrollment for Basic began, 542 potential Basic applicants were determined ineligible at the point of applying for the Core waitlist. Of the 542 applicants who did not qualify for Basic, 390 were not eligible due to having current insurance, insurance within the past 12 months or access to insurance. Eligible Basic members have no other insurance or access to insurance.

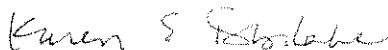
Once individuals have enrolled, the Basic verification process uses a variety of wage, income and insurance databases to verify the information members have reported. Disparities trigger DHS follow-up and potential disenrollment. As of September 15, DHS had determined 59 individuals ineligible for Basic due to other insurance.

The administrative portion of the Basic premium supports a full-time nurse case manager, whose duties focus on direct outreach to Basic members. The nurse has worked directly with more than 200 Basic members to coordinate their health care needs. Sixty-seven percent of Basic members reported their health condition as 'good' in a telephone survey of 211 members conducted by the nurse case manager, 27% reported their health condition as 'fair' and 6% as 'poor.' Direct member contacts made by the nurse case manager have resulted in referrals to other programs for which Basic members may be eligible. To date, the nurse has referred 93 people to the Wisconsin Well Woman program and 27 members to apply for services under the Family Planning waiver.

In July, the Centers for Medicare and Medicaid Services (CMS) approved the Department's amendment to the Core Plan waiver to create a waitlist bypass into Core for Basic members who have been diagnosed with cancer. The policy had been recommended by the Department's Clinical Advisory Committee on Health and Emerging Technology (CACHET) to enhance care to Basic members who had been screened for cancer under Basic, but faced restricted treatment options under Basic's benefit limitations. To date, 14 Basic members with cancer have been transitioned to the Core Plan.

Under Governor Doyle's leadership, Wisconsin now provides access to health care for 98% of the State's residents. BadgerCare Plus Basic has been a key part of this accomplishment.

Sincerely,



Karen E. Timberlake
Secretary

BaderCare Plus Basic

Member Demographics as of 9/15/10

Gender			
Female	Male	Total	
	1,855	1,648	3,503

Income, by Federal Poverty Level (FPL)

FPL % Range	Total # of Households
01) 0 FPL	1,515
02) BETWEEN 0 AND 10 FPL	24
03) BETWEEN 10 AND 20 FPL	22
04) BETWEEN 20 AND 30 FPL	42
05) BETWEEN 30 AND 40 FPL	47
06) BETWEEN 40 AND 50 FPL	56
07) BETWEEN 50 AND 60 FPL	68
08) BETWEEN 60 AND 70 FPL	100
09) BETWEEN 70 AND 80 FPL	101
10) BETWEEN 80 AND 90 FPL	129
11) BETWEEN 90 AND 100 FPL	111
12) BETWEEN 100 AND 110 FPL	113
13) BETWEEN 110 AND 120 FPL	135
14) BETWEEN 120 AND 130 FPL	128
15) BETWEEN 130 AND 140 FPL	142
16) BETWEEN 140 AND 150 FPL	132
17) BETWEEN 150 AND 160 FPL	133
18) BETWEEN 160 AND 170 FPL	155
19) BETWEEN 170 AND 180 FPL	184
20) BETWEEN 180 AND 190 FPL	84
21) BETWEEN 190 AND 200 FPL	82
Total	3,503

Age and Gender

Age Group	Male	Female	Count
Up to 30	338	321	659
31 to 40	202	124	326
41 to 50	323	433	756
51 to 60	590	698	1,288
61 to 64	195	279	474
Total	1,648	1,855	3,503

Employment Status

Employed	Unemployed	Total
1,685	1,818	3,503

Residence by County or Tribe

County	Individuals
ADAMS	28
ASHLAND	19
BARRON	38
BAYFIELD	19
BROWN	120
BUFFALO	11
BURNETT	30
CALUMET	20
CHIPPEWA	38
CLARK	29
COLUMBIA	47
CRAWFORD	17
DANE	246
DODGE	48
DOOR	34
DOUGLAS	17
DUNN	18
EAU CLAIRE	49
FLORENCE	11
FOND DU LAC	62
FOREST	13
GRANT	36
GREEN	22
GREEN LAKE	4
IOWA	23
IRON	11
JACKSON	9
JEFFERSON	59
JUNEAU	33
KENOSHA	132
KEWAUNEE	9
LA CROSSE	43
LAFAYETTE	14
LANGLADE	29
LINCOLN	23
MANITOWOC	52
MARATHON	68

County	Individuals
MARINETTE	51
MARQUETTE	15
MILWAUKEE	604
MONROE	19
OCONTO	39
ONEIDA	35
OUTAGAMIE	100
OZAUKEE	41
PEPIN	5
PIERCE	15
POLK	44
PORTAGE	47
PRICE	17
RACINE	107
RICHLAND	9
ROCK	89
RUSK	9
ST. CROIX	28
SAUK	40
SAWYER	9
SHAWANO	29
SHEBOYGAN	64
TAYLOR	21
TREMPEALEAU	11
VERNON	30
VILAS	31
WALWORTH	72
WASHBURN	15
WASHINGTON	81
WAUKESHA	185
WAUPACA	29
WAUSHARA	19
WINNEBAGO	63
WOOD	47
MENOMINEE	1
POTAWATOMI	1
Total	3,503